



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-898]

Chlorinated Isocyanurates from the People's Republic of China: Final Results of Antidumping Duty Administrative Review, and Final Determination of No Shipments; 2018-2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) finds that Heze Huayi Chemical Co., Ltd. (Heze Huayi) sales of chlorinated isocyanurates (chlorinated isos) from the People's Republic of China (China) have been made at less than normal value during the period of review (POR), June 1, 2018, through May 31, 2019, and Juancheng Kangtai Chemical Co., Ltd. (Kangtai) had no shipments of subject merchandise during the POR.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Sean Carey, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3964.

SUPPLEMENTARY INFORMATION:

Background

On October 26, 2020, the Department of Commerce (Commerce) published its *Preliminary Results* of the administrative review of the antidumping duty order on chlorinated isos from the People's Republic of China (China).¹ The petitioners in this investigation are Bio-lab, Inc., Clearon Corp., and Occidental Chemical Corp. (collectively, the petitioners). The mandatory respondents in this administrative review are Heze Huayi and Kangtai. A complete

¹ See *Chlorinated Isocyanurates from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, and Preliminary Determination of No Shipments; 2018-2019*, 85 FR 67709 (October 26, 2020) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

summary of the events that occurred since publication of the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum.²

Scope of the Order

The products covered by the order are chlorinated isos, which are derivatives of cyanuric acid, described as chlorinated s-triazine triones. For a full description of the scope of the order, *see* Issues and Decision Memorandum.³

Analysis of Comments Received

We addressed all issues raised in the case and rebuttal briefs submitted by parties in this review in the Issues and Decision Memorandum, which is hereby adopted by this notice. A list of the issues addressed in the Issues and Decision Memorandum is provided in the appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>.

Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, we made two changes to our margin calculations. Specifically, we applied the correct ocean freight rate to convert the Mexican Global Trade Atlas (GTA) data from a "freight-on-board" (FOB) to a "cost of insurance and freight" (CIF) basis for certain inputs. In addition, we have revised the Mexican GTA import data with respect to HTS 282720 for calcium chloride for exports that were not properly excluded.

² See Memorandum, "Issues and Decision Memorandum for the Final Results of Antidumping Duty Administrative Review: Chlorinated Isocyanurates from China; 2018-2019, issued concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

³ *Id.*

Final Determination of No Shipments

In the *Preliminary Results*, we found that Kangtai had no entries of subject merchandise during the POR.⁴ No parties commented on, nor did we receive information that contradicts this preliminary determination. Therefore, for the final results, we continue to find that Kangtai had no reviewable entries during the POR.

Separate Rates

In the *Preliminary Results*, we found that evidence provided by Heze Huayi supported finding an absence of both *de jure* and *de facto* government control, and, therefore, we preliminarily granted a separate rate to Heze Huayi.⁵ No parties commented on, nor did we receive information that contradicts this preliminary determination. Therefore, for the final results, we continue to find that Heze Huayi is eligible for a separate rate.

Final Results of Administrative Review

Commerce determines that the following weighted-average dumping margin exists for Heze Huayi for the period of June 1, 2018, through May 31, 2019:

Exporter	Weight-Average Dumping Margin Percentage
Heze Huayi Chemical Co., Ltd.	70.31

Assessment Rates

Pursuant to section 751(a)(2)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.212(b), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. Consistent with its recent notice,⁶ Commerce intends to issue appropriate assessment instructions directly to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is

⁴ See *Preliminary Results*, 85 FR 67709-67710.

⁵ See *Preliminary Results* PDM at 3-5.

⁶ See *Notice of Discontinuation of Policy to Issue Liquidation Instructions After 15 Days in Applicable Antidumping and Countervailing Duty Administrative Proceedings*, 86 FR 3995 (January 15, 2021).

filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Where the respondent reported reliable entered values, we calculated importer- (or customer-) specific *ad valorem* rates by aggregating the dumping margins calculated for all U.S. sales to each importer (or customer) and dividing this amount by the total entered value of the sales to each importer (or customer).⁷ Where Commerce calculated a weighted-average dumping margin by dividing the total amount of dumping for reviewed sales to that party by the total sales quantity associated with those transactions, Commerce will direct CBP to assess importer-specific assessment rates based on the resulting per-unit rates.⁸ Where an importer- (or customer-) specific *ad valorem* or per-unit rate is greater than *de minimis* (*i.e.*, 0.50 percent), Commerce will instruct CBP to collect the appropriate duties at the time of liquidation.⁹ Where an importer- (or customer-) specific *ad valorem* or per-unit rate is zero or *de minimis*, Commerce will instruct CBP to liquidate appropriate entries without regard to antidumping duties.¹⁰

China-Wide Entity

Pursuant to Commerce's assessment practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, Commerce will instruct CBP to liquidate such entries at the China-wide entity rate. Additionally, if Commerce determines that an exporter had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the China-wide entity rate.¹¹

⁷ See 19 CFR 351.212(b)(1).

⁸ *Id.*

⁹ *Id.*

¹⁰ See 19 CFR 351.106(c)(2).

¹¹ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011). For an explanation on the derivation of the China-wide rate, see also *Notice of Final Determination of Sales at Less Than Fair Value: Chlorinated Isocyanurates from the People's Republic of China*, 70 FR 24502, 24505 (May 10, 2005).

Commerce's policy regarding the conditional review of the China-wide entity applies to this administrative review.¹² Under this policy, the China-wide entity will not be under review unless a party specifically requests, or Commerce self-initiates, a review of the entity. Because no party requested a review of the China-wide entity, we did not review the entity in this segment of the proceeding. Thus, the China-wide entity's rate (*i.e.*, 285.63 percent) did not change.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) For the exporters listed above, the cash deposit rate will be the rate established in the final results of this review (except, if the rate is zero or *de minimis*, a zero cash deposit rate will be required for that company); (2) for previously investigated or reviewed China and non-China exporters not listed above that have separate rates, the cash deposit rate will continue to be the existing producer/exporter-specific rate published for the most recent period; (3) for all China exporters of subject merchandise that have not been found to be eligible for a separate rate, the cash deposit rate will be the China-wide rate of 285.63 percent; and (4) for all non-China exporters of subject merchandise that have not received their own rate, the cash deposit rate will be the rate applicable to the China exporter(s) that supplied that non-China exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure

We intend to disclose the calculations performed regarding these final results within five days of the date of publication of this notice to parties in this proceeding in accordance with 19

¹² See *Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963 (November 4, 2013).

CFR 351.224(b).

Notification to Importers Regarding the Reimbursement of Duties

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties has occurred and the subsequent assessment of doubled antidumping duties.

Notification Regarding Administrative Protective Orders

This notice also serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

We are issuing and publishing these final results of administrative review in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213(h).

Dated: April 26, 2021.

Christian Marsh,
Acting Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Changes Since the Preliminary Determination
- V. Discussion of the Issues
 - Comment 1: Selection of Mexico as the Primary Surrogate Country Instead of Malaysia
 - Comment 2: Adjusting the Mexican Freight On-Board (FOB) GTA Import Data to a Cost of Insurance and Freight (CIF) Value
 - Comment 3: Use of the Mexican Orbia Financial Statements in the Calculation of Surrogate Value Financial Ratios
 - Comment 4: Use of Alternative Mexican Labor Data
 - Comment 5: Mexican Surrogate Value for Natural Gas
 - Comment 6: Clerical Errors in the Calculation of Preliminary Dumping Margin
- VI. Recommendation